STATE OF MISSOURI

DEPARTMENT OF NATURAL RESOURCES

www.dnr.mo.gov

MEMORANDUM

Date: October 27, 2004

To: Land Reclamation Commission

From: Tom Cabanas, Reclamation Section Chief (original signed by Tom Cabanas)

Subject: AML/Bond Forfeiture Status Update

Project Update

Perche Creek

Location: Boone County

This 38.5 acre project consists of eliminating dangerous spoil piles and embankments, a coal waste pile, closing a water-filled cistern and removing a dangerous embankment and coal waste at an eroding loadout site. The goal is to significantly reduce acid mine drainage and acid-forming sediments from entering Perche Creek. The earthwork is now complete on this project.

Miller's Creek

Location: Callaway County

The designs for this project are complete and the pre-bid conference was held on May 11, 2004. The bids opened on May 27, 2004 with the low bid going to Terradyne LTD at the bid amount of \$487,011.00. This project will consist of treating, pumping out and filling in two pits that hold acid water, grading barren spoils and revegetating the entire area located near Millersburg. Water in the acid impoundments have been treated and drained and grading is now proceeding as planned.

Non-Coal Shaft Closures

Beau Lane Shaft

Location: Jasper County

This project was previously reported as the Resurrection Shaft, after the homeowner's name where the shaft opening is located. On September 7, 2004 the Southwest Regional Office was notified of a vertical shaft that opened on residential property in the Joplin



area. A concrete slab attached to a residential structure fell into a 50 foot deep hole. The situation was immediately investigated and an under \$3,000 project was planned to temporarily resolve the problem until a more permanent solution can be developed. OSM has worked with the Land Reclamation Program to allow NEPA paperwork requirements to follow completion of the reclamation project in order to expedite the work. The final work was completed on September 23, 2004 with a concrete cap being placed over the shaft opening.

Bond Forfeiture Status Report

The following are the major projects that the program is planning to conduct during this calendar year.

State Reclamation Projects

Missouri Mining, Inc.

Location: Putnam County

Pit 17 & Pit 15

Plans for these two permanent program permit areas have been developed, the pre-bid meeting was held on May 27, 2004 with bid openings on June 17, 2003. The contractor who was awarded the project on June 28, 2004 is Chris Muhs Trucking & Excavating of Stockport, Iowa for a bid of \$98,499.00. Work is now complete. These projects consist mainly of deep gully repair and pond renovation.

Pit 12

Due to the presence of a breached pond creating and off-site impact (sediment) the program is planning to write a small contract for the repair of the dam. The balance of the erosion repair will be conducted at a later date. Plan development is in progress.

Pit 14North

Pit 14 North will be a relatively small project as the problems are fairly limited, consisting of the repair of one large gully and distribution of a topsoil stockpile. Two relatively shallow ponds were modified to create a deeper water level. A groundwater monitoring well was also removed. A pre-bid conference was held on June 30, 2004 with bid submittal closing on July 7, 2004. Work on this project is now complete for a total of \$15,360.

Pit14 South

A representative of the landowner has requested the removal of a pond and diversion system. The area was also in need of gully repair in several areas. This project was recently completed via a change order to the contract for Pits 15/17 for \$26,600.

Surety Reclamation Projects

Midwest Coal, LLC, Tiger Mine Location: Bates County

The surety at this site, Lyndon Properties, agreed to develop a reclamation plan for this area that was submitted to the program in December 2004 and is now in the final approval stages. Reclamation at this site began on September 1, 2004 with completion of all major items by the end of the year. This site comprises 384 acres and involves disposal of coal wastes, highwall reduction, pond renovation, elimination of at least one off-site impact, topsoil replacement and reseeding. Reclamation at the site is in progress with the coal waste material having been covered, prime farmland soils replaced and a new spillway installed at one of the final water impoundments along with non-prime farmland soils having been spread over graded spoil. We anticipate that most of the work will be completed by Spring, 2005 if the weather cooperates.

Riedel Energy, Inc.

Location: Ralls & Monroe Counties

The consultant, Marston & Marston, has finalized the reclamation plan for this very large mined area, and are in the process of selecting a contractor. Work at the site is to begin this summer and is mainly associated with land use issues, ponds, other engineering structures, gully repair, proper burial of coal wastes and revegetation issues.

North American Resources, Inc., Silver Creek Mine

Location: Randolph County

AND

North American Resources, Inc., Foster Mine

Location: Bates County

Reclamation on these mine sites have been completed by the surety, Frontier in Rehabilitation and are now being inspected for maintenance issues.

Universal Coal and Energy, Inc., Renick Mine

Location: Randolph County

Reclamation at this mine site has been completed by the surety Lincoln General Insurance Company and is now being inspected for maintenance issues.